

# The BLM's Proposed Fiscal Year 2008 Budget

BLM

**"Together, through creativity and innovation, I believe we can design an improved management framework that lays out a dynamic mosaic of multiple uses across landscapes. I am confident that this approach will better serve the land, the wildlife and the interests of the American people."**

**- Interior Secretary  
Dirk Kempthorne**

February 5, 2007

Public Lands USA: Use, Share, Appreciate





## Ensuring Healthy, Productive Public Lands

The Bureau of Land Management (BLM), an agency of the U.S. Department of the Interior, administers more land—258 million surface acres—than any other Federal agency. The BLM also manages 700 million acres of subsurface mineral estate across the nation. With a budget of about \$1.8 billion in appropriated funds, the Bureau manages these public lands for multiple uses in accordance with the 1976 Federal Land Policy and Management Act. The agency carries out its multiple-use mission primarily in 12 Western states, including Alaska, where most BLM-managed land is located.

These public lands contain myriad resources and meet a variety of our nation's needs, including outdoor recreation, domestic energy, wildlife habitat, livestock grazing, timber, and other natural, cultural, and historical resources. With the rapid population growth in the West—from nearly 20 million people in 1950 to more than 60 million today—the pressure to meet complex, and sometimes competing, demands for public land resources has also grown exponentially.

To succeed in its role as a steward of public resources, the BLM, with a staff of fewer than 11,000 full-time employees, works in cooperation with a host of partners: states, counties, local communities, government agencies, private organizations, businesses, and individuals. This management approach, known as Cooperative Conservation, seeks to strengthen partnerships and promote citizen stewardship.

The President's fiscal year (FY) 2008 budget proposal would enable the BLM to fulfill its multiple-use mission in the most effective and efficient way possible while supporting the Administration's efforts to eliminate the Federal deficit by 2012. In particular, the President's budget advances the BLM's top priorities in the upcoming fiscal year, which are to:

- restore the health of the land and enhance vital habitat;
- provide the nation with dependable, affordable energy developed in an environmentally sound manner; and
- improve the efficiency of the Bureau's operational and administrative functions.

## Highlights



### Healthy Lands Initiative

The President's FY 2008 budget proposal includes an increase of \$15 million in support of the Interior Department's Healthy Lands Initiative. This innovative restoration initiative focuses on habitat enhancement to ensure important future uses of the land, including access for energy development. The goals of the initiative are to:

- stabilize energy production and enhance energy security;
- manage landscapes to prevent the listing of wide-range species, such as the sage grouse; and
- sustain public lands and wildlife habitat to maintain hunting and fishing opportunities.

The BLM will begin aggressive, landscape-scale habitat enhancement projects in six emphasis areas: southwest Wyoming; northwest and southeast New Mexico; south-central Idaho; southwestern Colorado; Utah; and the three-corner area of Idaho, Oregon, and Nevada.

The Bureau will concentrate a large number of treatments in each emphasis area, resulting in significant improvements to habitat in an entire watershed or landscapewide area in 1 to 3 years. The BLM will also leverage partnership funding at unprecedented levels.



### Emphasis Areas



### Energy Initiatives

The proposed FY 2008 BLM budget will continue to address America's energy needs by facilitating environmentally sound energy development on public lands. The proposed budget carries forward the additional \$25.3 million requested in the President's FY 2007 budget for processing requests for energy development, implementing an oil shale program, and conducting energy-related activities on Alaska's North Slope. The 2008 budget request includes an increase of \$3.1 million over FY 2007 for the BLM's oil and gas inspection and monitoring activities to ensure that energy development is done in an environmentally sensitive way and that permit terms are enforced.

The FY 2008 budget also requests a \$2 million increase for the mining law administration program, which would be fully offset with increases in annual mining claim maintenance fees. Today's higher mineral prices reflect greater demand for such minerals as uranium, silver, and gold, and the requested appropriations level would enable the BLM to ensure that increased mining for these minerals occurs in an environmentally responsible manner.



### Efficiency Improvements

The BLM is aggressively focusing on the effective stewardship of our resources—funding, employees, and assets—to ensure that they are used wisely and responsibly. The agency will undertake a series of actions to promote a more effective and efficient organization, including:

- establishing a set of broad-ranging management concepts to maintain the agency's core mission;
- creating consistently structured state organizations made up of a state office, district offices, and field offices;
- establishing a National Operations Center in Denver that consolidates the existing business functions already located there, thus providing greater support to the field because of its proximity to the majority of Rocky Mountain offices; and

- taking advantage of technological improvements to centralize functions in information technology and human resources.

Other efficiencies will occur in the following areas:

- **Travel:** The Bureau will reduce travel costs by relying more on video and audio conferencing and by limiting travel, saving an estimated \$2.2 million per year (12 percent).
- **Capital Asset Management:** The BLM is implementing its new Capital Asset Management Plan, which fosters wise decisions regarding the use of capital assets, such as buildings and maintenance facilities.
- **Work Processes:** The Bureau will continue to improve its processing of land-use authorizations, requests for rights-of-way, and other permit-related activities on the public lands.
- **Library and Publishing Services:** The agency is examining administrative and centralized services and is proposing a reduction of \$1 million for anticipated savings by streamlining library and publishing services.
- **Financial Services:** The BLM continues to examine business practices at its National Business Center and proposes a reduction of \$1 million in funding for the Center. The Bureau will gain savings by, among other things, transitioning from manual to electronic processing of certain types of vouchers.



## Program Reductions

The proposed FY 2008 budget contains several program reductions, including cultural resources management (-\$3 million); wild horse and burro management (-\$4.7 million); resource management planning (-\$3 million); deferred maintenance (-\$4.3 million); O&C grant lands (-\$5 million); information technology (-\$5.5 million); and land acquisition (-\$7.2 million). The budget request also proposes legislation to allow the BLM to retain receipts from the sale of subsurface mineral estate for land

acquisition, with an estimated \$5 million generated from this new authority.

## Additional Budget Proposals

### BLM's Wildland Fire Management

The President's FY 2008 budget proposal seeks \$485 million for the wildland fire management program, including an \$8.3 million increase for fixed costs. The proposal calls for an \$11.8 million reduction in preparedness through savings from a realignment of positions, reduction in administrative overhead costs, and other measures. Initial attack capability would be maintained.

### Federal Land Transaction Facilitation Act

The President's budget calls for legislation that would amend the BLM's land-sale authority under the Federal Land Transaction Facilitation Act (FLTFA) of 2000. The legislation would expand the public lands available for disposal under the Act and would change the distribution of the proceeds of those sales. Currently, the BLM is limited to selling lands identified for disposal in land-use plans that were in effect before FLTFA became law. The proceeds from these sales are also limited to the acquisition of non-Federal lands within specially designated areas, such as national parks, wildlife refuges, and national monuments. The FY 2008 budget proposes to amend FLTFA by authorizing the BLM to use updated (that is, post-2000) management plans to identify lands suitable for sale and to allow a portion of the receipts to be used for restoration projects. The proposal would also return 70 percent of the net proceeds from these sales to the Federal Treasury and would cap the Interior Department's retention of receipts at \$60 million annually. (After \$60 million, 100 percent of the sale proceeds would go to the general Treasury fund.)

### Range Improvement Fund

The President's FY 2008 budget proposes to discontinue mandatory appropriations from the Range Improvement Fund that total \$10 million annually. The Administration will submit legislation that would amend the Federal Land Policy and Management Act to direct that the 50 percent of grazing fee receipts currently deposited in the Range Improvement Fund be deposited instead

in the general Treasury. Because the BLM's proposed new grazing regulations would allow grazing permit holders to share title to range improvements, public lands ranchers would have an incentive to undertake and bear more of the costs for such improvements.

### Section 365 of the Energy Policy Act

The President's FY 2008 budget calls for legislation that would repeal provisions of section 365 of the Energy Policy Act of 2005. Section 365 diverts mineral leasing rental receipts from the general Treasury to the newly created Permit Processing Improvement Fund; this section also prohibits the BLM from establishing cost-recovery fees for processing oil- and gas-related drilling permit applications. The BLM would develop regulations in 2008 to phase in full cost recovery for processing these permit applications, generating an estimated \$21 million in 2008. This revenue would fully replace the estimated amount that would otherwise be provided by rental receipts.

### Geothermal Energy Receipts

The Administration will submit legislation that would repeal sections 224 and 234 of the Energy Policy Act of 2005. These sections changed the previous distribution of receipts from geothermal lease payments (which had been 50 percent to the states, 40 percent to the Federal Reclamation Fund, and 10 percent to the general Treasury fund) to a new formula: 50 percent to the states, 25 percent to counties, and 25 percent to the Treasury. Restoring the original distribution formula will advance the President's goal of achieving a balanced Federal budget by 2012.

### Subsurface Mineral Estate

The FY 2008 budget request includes a proposal that would credit proceeds from the sale of subsurface mineral estate to non-Federal surface owners to the BLM land acquisition account. Such subsurface mineral sales to surface owners are authorized under section 209 of the Federal Land Policy and Management Act (FLPMA). The sale proceeds would be used for the purchase of lands and for administrative expenses relating to these transactions, as authorized by FLPMA. The proposal caps the receipts to the land acquisition account at \$5 million in 2008 and establishes a minimum sale price of \$10 per subsurface acre.





# The Bureau of Land Management *Today*

## *Our Vision*

To enhance the quality of life for all citizens through the balanced stewardship of America's public lands and resources.

## *Our Mission*

To sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations.

## *Our Values*

To serve with honesty, integrity, accountability, respect, courage, and commitment to make a difference.

## *Our Priorities*

To improve the health and productivity of the land to support the BLM multiple-use mission.

To cultivate community-based conservation, citizen-centered stewardship, and partnership through consultation, cooperation, and communication.

To respect, value, and support our employees, giving them resources and opportunities to succeed.

To pursue excellence in business practices, improve accountability to our stakeholders, and deliver better service to our customers.

BLM/VO/GI-07/004+1600